

Subject: HIRE ABOVE MINIMUM (HAM)

REFERENCES	SECTIONS
Classification and Pay (C & P) Guide	250 (revised 7/05)
Human Resources Policy Memos <a href="http://www.ohr.dgs.ca.gov/HRMemos/default.htm">http://www.ohr.dgs.ca.gov/HRMemos/default.htm</a>	HR 98-034
Law & Regulation <a href="http://www.dpa.ca.gov/statesys/dpa/laws.htm">http://www.dpa.ca.gov/statesys/dpa/laws.htm</a>	Government Codes Section 19836, 18990
Pay Scales <a href="http://www.dpa.ca.gov/jobinfo/pay_scales/toc.shtml">http://www.dpa.ca.gov/jobinfo/pay_scales/toc.shtml</a>	Section 14, Differential 14
Responsible Control Agency and Program	Department of Personnel Administration
SPB/DPA Policy Memos <a href="http://www.dpa.ca.gov/statesys/dpa/src/hfpml.shtml">http://www.dpa.ca.gov/statesys/dpa/src/hfpml.shtml</a>	PML 90-07, 90-07A

## Hire-Above-Minimum (HAM)

<b>Policy</b>	<p>The Department of General Services (DGS) has delegated authority to approve Hire-Above-Minimum (HAM) requests. The Department of Personnel Administration (DPA) is responsible for requests of current state employees.</p> <p><b>Warning:</b> A HAM salary rate cannot be requested <b>after</b> an applicant accepts the job offer.</p>
<b>Definition</b>	<p>The HAM is a salary rate above the minimum rate in the salary range that may be offered to an applicant who has extraordinary qualifications.</p>
<b>Authority</b>	<p>Government Code Section 19836 authorizes the DPA to allow payment above the minimum rate in the salary range.</p>
<b>Contribution to the DGS</b>	<p>Applicants with extraordinary qualifications should contribute to the work of the DGS <b>significantly beyond</b> what other applicants offer.</p> <p>Extraordinary qualifications should provide expertise in a particular area of DGS' programs. This expertise should be <b>well beyond</b> the normal requirements of the classification.</p> <p>Unique talent, ability, or skill, as demonstrated by previous job experience, may also constitute extraordinary qualifications. The scope and depth of such experience is more significant than its length.</p> <p>The degree to which an applicant exceeds minimum qualifications <b>should be a guiding factor, rather than a determining one</b>. When a number of applicants offer considerably more qualifications than the minimum, it may not be necessary to pay above the minimum to acquire unusually well-qualified people.</p> <p>The qualifications and hiring rates of State employees already in the same classification should be carefully considered, since questions of salary equity may arise if new, higher, entry rates differ from previous ones.</p>

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## Hire-Above-Minimum (HAM), Continued

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### Recruitment difficulty

An applicant with a specific extraordinary skill should be difficult to recruit, even though other applicants may be qualified in the general skills of the classification. If there is no difficulty in recruiting qualified employees, there is no need for a HAM.

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### Current salary and other job offers

In **all** cases, the prospective applicant's current salary or other bona fide salary offers must be above the minimum rate. Current salary or other bona fide offers must be verified and appropriately documented, which must be written, on letterhead and include the salary offer, a contact name and a contact telephone number. Current salary should have duration of at least one year.

**Note:** Any competing job offers from other State agencies **CANNOT** be used as justification for a HAM.

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### Guidelines/definition of current salary

Generally, current salary is the actual monthly salary an applicant is receiving which has been consistent for a duration 12-month duration. However, salary considerations may include a recent salary amount, differing from the actual current salary, or possibly a salary from a different employer. Salary considerations may also include an upcoming salary increase for the applicant.

Evaluation of the various factors **shall** be done on a case-by-case basis.

The applicant's monthly salary (or highest bona fide job offer) is compared to the State's pay ranges in determining the maximum amount which the DGS may authorize. Money earned through part-time or outside employment, which is in addition to regular full-time employment, can be counted in determining the above-the-minimum rate only when the applicant would lose this income in coming to work for the DGS.

The proposed applicant is currently unemployed; the consideration of the applicant's current or most recent salary is not applicable. All requests for exceptions to this factor shall be submitted to the Department of Personnel Administration (DPA). (Delegated HAM authority does not apply.)

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## Hire-Above-Minimum (HAM), Continued

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### **Guidelines/ (continued)**

In a suppressed occupational area where applicants are unemployed or are facing layoff or relocation, consideration of the applicant's current or most recent salary is unnecessary.

If an otherwise marketable applicant is currently unemployed, consideration of the applicant's most recent salary is not applicable unless there is a competing job offer.

Competing offers from other State agencies cannot be used as justification for offering HAM rate.

### **Prior State Employment:**

Evaluation of applicants with prior State service shall be conducted in the same manner as other applicants. However, to qualify for a higher rate of pay than they received in prior State employment, they must clearly have enhanced his/her qualifications above those s/he possessed in the prior State employment.

### **Current State Employees**

The DGS may request an extraordinary qualification HAM for State employees if all the following circumstances exist:

- There is a verifiable competing offer from another prospective non-State employer.
- There is no promotional relationship between the employee's current classification and the prospective classification.
- The hire would represent a career change for the individual.
- It is typically necessary to offer an extraordinary HAM to recruit applicants for the classification.

**Note:** DPA approval is required in **all** cases. Delegated HAM authority does not apply.

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## Hire-Above-Minimum (HAM), Continued

<b>HAM plus rates</b>	This applies to authorized classifications which are located in defined geographical areas and granted for recruitment difficulty. Delegated HAM authority does not apply to this type of HAM.
<b>Former legislative employees</b>	The DGS may request/approve a HAM for former legislative employees who are appointed to a civil service classification and received eligibility for appointment pursuant to GC Section 18990. The salary received upon appointment to civil service shall be in accordance with existing DPA salary rules. A salary determination is completed comparing the maximum salary rate of the former legislative classification and the maximum salary rate of the civil service classification to determine applicable salary and anniversary regulation. Typically, legislative employees are compensated at a higher rate of pay; therefore, they will be allowed to retain the rate they last received, not to exceed the maximum of the civil service classification.
<b>Former exempt employees</b>	The DGS may request/approve a HAM for former exempt employees appointed to a civil service classification. The salary received upon appointment to civil service shall be competitive with their salary in the exempt appointment. For example: An employee appointed to a civil service classification which is preceded by an exempt appointment may be appointed at a salary rate comparable to the exempt appointment up to the maximum of the salary range for the civil service classification.
<b>Documentation</b>	<p>The DGS must document the basis for each HAM request as stated in the criteria, and retain the documentation for DPA program review. Documentation shall include:</p> <ul style="list-style-type: none"><li>• HAM for Extraordinary Qualifications Documentation (OHR 906).</li><li>• The applicant's current signed and dated employment application (STD 678).</li><li>• A copy of a current earnings statement. If self employed, must include a W-2 statement or income taxes of prior year and/or</li><li>• A copy of competing job offer(s) in writing, on letterhead including the salary offer, a contact name and a contact telephone number.</li></ul>

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## Hire-Above-Minimum (HAM), Continued

### Documentation (continued)

HAM requests that do not meet the standards outlined in this section must be submitted to the DPA for approval. The HAM request is sent to the Personnel Services Branch. All requests sent to the DPA shall include a memorandum requesting the HAM; the applicant's signed and dated employment application (STD 678); and a copy of a current earnings statement and or job offer.

### Process

The chart below identifies the process for the HAM request.

Stage	Responsible Party	Description
1	Manager/ Supervisor	<ul style="list-style-type: none"><li>• Job offer is made in writing at minimum salary and rejected (rejection of offer must be in writing; email is acceptable or written note if prospective employee was present at time of offer)</li></ul>
2	Applicant	<ul style="list-style-type: none"><li>• Requests a rate above the minimum of the classification</li></ul>
3	Manager/ Supervisor	<ul style="list-style-type: none"><li>• Explains to the employee the policy and criteria necessary for a HAM request</li></ul> <p><b>NOTE:</b> do not make job offer at top of salary range to allow employee growth and retention</p> <ul style="list-style-type: none"><li>• Notifies the Personnel Liaison (PL) of the request</li></ul>
3	Personnel Liaison	<ul style="list-style-type: none"><li>• Completes the HAM request form (GS 906) and justification and forwards to the Classification and Pay (C&amp;P) Analyst with:<ul style="list-style-type: none"><li>➤ A copy of the most recent W-2 or current earnings statement for a 12-month duration</li><li>➤ Applicant's State application(Std. 678)/resume, signed and dated</li><li>➤ If applicable, any verifiable competitive salary offers comparable to the rate being offered (must be in writing, on letterhead including salary offer, contact name and telephone number)</li></ul></li></ul>

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## Hire-Above-Minimum (HAM), Continued

### Process (continued)

Stage	Responsible Party	Description						
4	C&P Analyst	<ul style="list-style-type: none"><li>Evaluates the package based on the established guidelines and makes a recommendation to his/her immediate supervisor, Staff Services Manager II and Personnel Manager and/or OHR Chief to deny or approve the request</li></ul>						
		<table><tr><th>If</th><th>Then</th></tr><tr><td>HAM is approved</td><td><ul style="list-style-type: none"><li>C&amp;P Analyst notifies the office/program verbally and follows-up with an email</li><li>C&amp;P Analyst forwards a copy of the HAM request form and RPA to PTU for processing (original HAM package is sent to file)</li></ul></td></tr><tr><td>HAM is denied</td><td><ul style="list-style-type: none"><li>C&amp;P Analyst notifies the office/program verbally with reason for denial and follows-up with an email</li><li>HAM package is sent to file</li></ul></td></tr></table>	If	Then	HAM is approved	<ul style="list-style-type: none"><li>C&amp;P Analyst notifies the office/program verbally and follows-up with an email</li><li>C&amp;P Analyst forwards a copy of the HAM request form and RPA to PTU for processing (original HAM package is sent to file)</li></ul>	HAM is denied	<ul style="list-style-type: none"><li>C&amp;P Analyst notifies the office/program verbally with reason for denial and follows-up with an email</li><li>HAM package is sent to file</li></ul>
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**Attachments**   [Hire-Above-Minimum Request form \(GS 906\)](#), Former Legislative Employee form (GS 906LE), [Former Exempt Employee form \(GS 906EE\)](#)